

Service Date: August 23, 2000

DEPARTMENT OF PUBLIC SERVICE REGULATION  
BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF MONTANA

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IN THE MATTER OF MONTANA-DAKOTA	)	UTILITY DIVISION
UTILITIES CO., Application for Annual Review	)	
Of its Monthly Gas Cost Tracking Adjustment	)	DOCKET NO. D2000.4.51
Procedure and Final Approval of Previous Monthly	)	ORDER No. 6261
Interim Rate Changes Resulting from that Procedure	)	

FINAL ORDER

1. On April 11, 2000, Montana-Dakota Utilities Co. (MDU) filed before the Montana Public Service Commission (PSC) an application for continued approval of MDU's monthly gas cost tracking adjustment procedure (monthly tracker) and final approval of the present month's (May 2000) and previous month's (June 1999 through April 2000) interim rate changes resulting from that procedure.

2. MDU states that the monthly tracker continues to achieve its objectives, including making gas costs reflective of the market in a timely manner, promoting customer understanding by pricing closer to actual price-affecting events, providing proper and timely price signals to customers and minimizing the unreflected gas cost account balance to avoid cost shifts from one period to another.

3. On May 2, 2000 the PSC issued a Notice of Application and Intervention Deadline on MDU's application. The Montana Consumer Counsel (MCC) requested intervention in the proceeding and is the only party to do so. The PSC and the MCC agreed to do a joint true-up review of the interim filings. Following preliminary inquiries on the matter the review was completed in August of 2000. The PSC and MCC have agreed that no material problems exist. MCC has indicated that no hearing or further proceedings are necessary. The PSC agrees and approves MDU's application.

4. MDU's monthly trackers being approved on a final basis in this proceeding are summarized as follows:

	Change per dk	
	Residential & General Service	Large Interruptible
June 1999	\$0.533	\$0.531
July	0.000	0.000
August	0.000	0.000
September	0.307	0.315
October	0.138	0.138
November	(0.128)	(0.213)
December	0.052	0.415
January 2000	(0.517)	(0.532)
February	0.000	0.000
March	0.122	0.054
April	0.000	0.000
May	<u>0.657</u>	<u>0.376</u>
Total	<u>1.164</u>	<u>1.084</u>

5. MDU is a public utility. The PSC has jurisdiction over MDU in regard to this matter pursuant to Title 69, MCA. MDU's gas cost trackers for the rate-effective months of June 1999 through May 2000 have been filed and processed in accordance with the law and applicable MDU tariffs. The PSC finds the rate changes proposed in MDU's monthly trackers on an interim basis to be just and reasonable and are hereby approved on a final basis. MDU's monthly gas cost tracker procedure is approved for an additional year, to expire at the time the PSC issues an order following a review of MDU's next annual gas cost true-up procedure, unless MDU demonstrates at that time sufficient cause to continue the monthly gas cost tracker.

DONE AND DATED this 22 day of August, 2000, by a vote of 5 – 0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

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DAVE FISHER, Chairman

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NANCY MCCAFFREE, Vice Chair

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BOB ANDERSON, Commissioner

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GARY FELAND, Commissioner

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BOB ROWE, Commissioner

ATTEST:

Kathlene M. Anderson  
Commission Secretary

(SEAL)

NOTE: Any interested party may request the Commission to reconsider this decision.  
A motion to reconsider must be filed within ten (10) days. See ARM 38.2.4806.